



# Climate Lobbying Report

2023



# Table of Contents

- I. Governance 3
- II. Sustainability Goals 4
- III. Climate Lobbying Activities 6
- IV. Risks Presented by Misaligned Lobbying 11
- V. Conclusion 12

## Cautionary Note Regarding Forward-Looking Statements

This report, our other reports and our filings with the Securities and Exchange Commission (“SEC”) contain and in the future may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than those of current or historical fact, and all statements accompanied by terms such as “will,” “believe,” “project,” “expect,” “estimate,” “assume,” “intend,” “anticipate,” “target,” “plan” and similar terms, are intended to be forward-looking statements. Forward-looking statements are made subject to the safe harbor provisions of the federal securities laws pursuant to Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

From time to time, we also include written or oral forward-looking statements in other publicly disclosed materials. Such statements relate to our intent, belief, forecasts of, or current expectations about our strategic direction, prospects, and future results, and give our current expectations or forecasts of future events; they do not relate strictly to historical or current facts. Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or anticipated results. These risks and uncertainties include, but are not limited to: changes in general economic conditions in the U.S. or internationally; significant competition on a local, regional, national and international basis; changes in our relationships with our significant customers; our ability to attract and retain qualified employees; strikes, work stoppages or slowdowns by our employees; increased or more complex physical or operational security requirements; a significant cybersecurity incident, or increased data protection regulations; our ability to maintain our brand image and corporate reputation; impacts from global climate change; interruptions in or impacts on our business from natural or man-made events or disasters including terrorist attacks, epidemics or pandemics; exposure to changing economic, political, regulatory and social developments in international and emerging markets; our ability to realize the anticipated benefits from acquisitions, dispositions, joint ventures or strategic alliances; the effects of changing prices of energy, including gasoline, diesel, jet fuel, other fuels and interruptions in supplies of these commodities; changes in exchange rates or interest rates; our ability to accurately forecast our future capital investment needs; increases in our expenses or funding obligations relating to employee health, retiree health and/or pension benefits; our ability to manage insurance and claims expenses; changes in business strategy, government regulations or economic or market conditions that may result in impairments of our assets; potential additional U.S. or international tax liabilities; potential claims or litigation related to labor and employment, personal injury, property damage, business practices, environmental liability and other matters; and other risks discussed in our filings with the Securities and Exchange Commission from time to time, including our [Annual Report on Form 10-K](#) + for the year ended December 31, 2023, and subsequently filed reports. You should consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of predictions contained in such forward-looking statements. We do not undertake any obligation

to update forward-looking statements to reflect events, circumstances, changes in expectations or the occurrence of unanticipated events after the date of those statements.

From time to time, we expect to participate in analyst and investor conferences. Materials provided or displayed at those conferences, such as slides and presentations, may be posted on our investor relations website at [www.investors.ups.com](http://www.investors.ups.com) under the heading “Presentations” when made available. These presentations may contain new material nonpublic information about our company and you are encouraged to monitor this site for any new posts, as we may use this mechanism as a public announcement.

Company sustainability goals are aspirational and not guarantees or promises; no assurances can be provided that any such goals will be met due to dependence on technological innovations and other available resources needed to drive environmental change, many of which are outside of our control. Statistics and metrics relating to sustainability matters are estimates and may be based on assumptions or evolving standards.



# I. Governance

UPS is committed to maintaining robust governance policies and practices that benefit the long-term interests of all stakeholders. We regularly review and update our corporate governance policies and practices in response to the evolving needs of our business, shareowner and other stakeholder feedback, regulatory changes and other corporate developments.

The Board's oversight responsibilities include strategic planning, risk management, succession planning, human capital management, executive compensation, compliance, internal audit, political engagement and financial reporting. This includes oversight of climate-related matters as a part of the Company's overall business strategy.

The Board considers climate-related risks in numerous ways, including through its standing committees. The Board's Risk Committee is responsible for oversight of management's identification and evaluation of enterprise risks, including the Company's climate-related risks. Economic, environmental and social sustainability risks and opportunities are considered as part of our comprehensive enterprise risk management program. Under our enterprise risk management process, risks, including climate-related, are identified, prioritized and assigned an owner, who is responsible for developing mitigation plans. The Risk Committee reviews these items on at least an annual basis.

The Board's Nominating and Corporate Governance Committee has additional oversight responsibility for climate-related risks and opportunities. This committee receives regular updates and discusses the Company's progress toward its sustainability-related goals, as well as the associated risks and opportunities, with feedback from these discussions shared with the full Board.

The Board's Audit Committee is responsible for overseeing the annual engagement of the independent third party that performed a review (limited assurance) on UPS management's assertion that the disclosures in our 2023 GRI Content Index as of and for the year ended December 31, 2023 are presented in accordance with the GRI Sustainability Reporting Standards, as well as an examination (reasonable assurance) on management's assertion relating to the Statement of Greenhouse Gas Emissions for the year ended December 31, 2023, in accordance with attestation standards established by the AICPA.

The full Board oversees the development of the Company's climate-related goals. Additionally, the Board regularly reviews the Company's risks, opportunities and progress with respect to its climate-related goals. Included as a part of these reviews are reviews of the Company's annual sustainability reports prior to publication.

UPS provides Board members with various opportunities to develop and enhance their knowledge of climate-related topics. For example, UPS facilitates a director engagement program in which directors meet with individual Executive Leadership Team ("ELT") members, visit Company operations, participate in employee events and receive in-depth subject matter updates outside of regular Board meetings, including efforts to meet existing sustainability goals.

## II. Sustainability Goals

We have defined interim goals for 2025 and 2035 to demonstrate progress towards our overarching goal of achieving carbon neutrality by 2050. We are committed to providing updates on our progress towards achieving our goals. In 2023, UPS total gross scope 1, 2 and 3 CO<sub>2</sub>e emissions were 30,626 ('000) tonnes, a reduction of 8.1% from the prior year period.

### Goal: 25% Renewable Electricity Powering Our Facilities by 2025

Progress: In 2023, 10.9% of our total electricity was generated from renewable sources for owned and leased facilities, compared to 8.2% in 2022. Both of our U.S. data centers procured 100% renewable energy in 2023, continuing the project that began in 2022. In 2023, the RECs that were retired for the data centers were from the 75 MWac/100 MWdc Huntley Solar farm in Orangeburg County, South Carolina, a “disadvantaged community” in accordance with EPA standards. The Huntley Solar farm came on-line in April 2020, helping to decarbonize the grid use by our data center near Atlanta, Georgia. RECs from this project also contribute to our goal of supporting marginal and underserved communities; a portion of each REC sale is invested in a community impact fund to support local communities. Community impact funds may be used for:

- Creating opportunities through education and workforce development, with a focus on clean energy and environmental stewardship
- Protecting and/or restoring local ecosystems
- Upgrading buildings to increase energy efficiency and resiliency in local communities
- Supporting an equitable and sustainable transition to clean energy in local communities

We continue to evaluate additional renewable electricity projects and remain focused on reaching our goal of 25% renewable electricity powering our facilities.

### Goal: 40% Alternative Fuels Used In UPS Ground Operations by 2025\*

\*Fuel in ground operations is defined as all fuel used in on-highway and facility-based vehicles for mobile ground operations. This includes our tractor-trailers, package cars, ground support equipment for loading/unloading aircraft, forklifts in our facilities and shifters for moving trailers. Alternative fuels are any fuels other than conventional gasoline and diesel, including CNG, liquified natural gas (“LNG”), propane, bio-diesel, renewable diesel, ethanol and renewable natural gas (“RNG”).

Progress: In 2023, we purchased 169 million gallons of alternative fuels, which represented 28.8% of our total ground fuel usage, up from 26.5% in 2022. We continue to increase the deployment of alternative fuel vehicles each year as we optimize the use of existing fueling infrastructure and plan for new infrastructure to be online across North America in 2024 and 2025.

### Goal: 100% Renewable Electricity Powering Our Facilities by 2035

Progress: Refer to progress towards our goal of 25% renewable electricity by 2025.

### Goal: 50% Reduction in CO<sub>2</sub>e per Global Small Package by 2035 (2020 baseline)\*

\* Included in this metric are the total Scope 1 and 2 emissions for our global operations. We use a carbon dioxide equivalent (CO<sub>2</sub>e) calculation which includes the equivalent sums of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O).

Progress: Our carbon intensity per package has increased by 7% against our 2020 baseline and by 1% year over year. We expect variability in our interim progress as we transition assets and volume fluctuates within our network. Achieving our 2025 milestones and additional initiatives, including our focus on reducing our air emissions are expected to aid progress in future time periods.

## II. Sustainability Goals (Cont.)

### Challenges We Continue to Address Renewable and Biofuel Supply and Cost

UPS relies on renewable and biofuels to be both available at scale and with a competitive cost profile compared to conventional fuel sources in order to meet the goals that we have established. In particular, SAF is critical to decarbonizing our air operations, which drives a significant amount of UPS's overall emissions. SAF supply is extremely limited, and cost prohibitive compared to conventional jet fuel. We depend on technological advancements, economies of scale, geographical availability and public policy developments that are outside of our control to make these fuels broadly and economically available.

### Public Policy

Currently, fragmented public policy is designed to either incentivize acceleration of decarbonization or disincentivize the usage of conventional fuels and energy. In many cases, regulators have not taken a holistic approach across the value chain to ensure that market demand, market supply, and the infrastructure necessary to enable market participants to meet their goals are all aligned to move toward a low or zero-carbon emission future. The absence of a more unified policy approach may challenge UPS's ability to both source and implement the necessary changes in our network to drive material carbon emission reductions in a cost-effective manner.



# III. Climate Lobbying Activities

## A. Direct Climate Lobbying

### Supporting incentives for production and use at scale of low carbon fuels

UPS advocates for a variety of public policy solutions at the federal and state levels in the United States and internationally in our key markets to reduce the costs of lower-carbon fuels, more efficient vehicles and zero emission vehicles. These solutions, if implemented, will help reduce our motor vehicle fleet's carbon emissions. Primary among these solutions are incentives. Incentives for purchasing and installing an alternative fuel infrastructure, including electric charging and natural gas refueling stations, can help accelerate the adoption of these technologies. SAF production incentives will help expand available supply at the locations where SAF is needed and help to create a larger market at lower cost for SAF. Rebates for zero emission commercial vehicles are also expected to help bring these closer to cost parity with their diesel and gasoline counterparts.

### Educating policymakers on the transition from fossil fuels to renewable fuels

We have worked to educate policymakers through extensive conversations on our approach to meeting our goal of carbon neutrality by 2050. We support data-based policies that encourage the adoption of low-carbon fuels in a technology neutral manner. We share our concerns about policies that mandate the adoption of specific technologies without regard for lifecycle carbon emission reductions or technology readiness. For instance, UPS has made significant progress in replacing thousands of diesel and gasoline vehicles with vehicles powered by RNG, helping to accelerate our emissions reductions and contributing to lower overall methane in the atmosphere. Technology mandates that don't account for the adoption of low-carbon fuels like RNG can discourage investments in low-carbon solutions that can be deployed rapidly at scale now while markets wait for production at scale of both zero emission vehicles and infrastructure to support them.

### Supporting climate-related financial disclosures

UPS supports the Securities and Exchange Commission's (the "SEC") goal of providing consistent, comparable and reliable information regarding climate-related risks and metrics that are important to investors and the capital markets. We submitted a letter to the SEC in support of the commission's proposed requirement for mandatory emissions disclosure. Our letter also supported flexibility to include required GHG emissions disclosure in sustainability or other reports made available on companies' websites, or otherwise in documents or information that is furnished but not filed with the SEC. We also asked that the SEC consider modifying disclosure thresholds and other aspects of proposed rulemaking.

### Supporting removal of renewable diesel labelling requirements

UPS supports the removal of renewable diesel labeling requirements as proposed in the Renewable Diesel and Sustainable Aviation Fuel Parity Act. This federal legislation is supported by both the California Air Resources Board and the California Energy Commission. Those agencies noted that: "Renewable diesel is important from the perspective of achieving our federal and state air quality mandates, contributing to state and national efforts to reduce greenhouse gases, and supporting traditional petroleum companies in transitioning to cleaner fuels... [G]iven the fungible nature of renewable diesel with petroleum diesel and the fact that it has no bearing on performance the current [labeling] requirements serve as an artificial barrier to using higher levels of renewable diesel. As such, we are losing an opportunity to deliver needed public health and climate benefits associated with using higher levels of renewable diesel."

# III. Climate Lobbying Activities (Cont.)

## B. Indirect Climate Lobbying

### Airlines For America (A4A)

About	Climate Change Position	Areas of Influence & Alignment
<p>A4A advocates on behalf of its members to shape crucial policies and measures that promote safety, security and a healthy U.S. airline industry. A4A works collaboratively with airlines, labor, Congress, the Administration and other groups to improve aviation for the traveling and shipping public.</p>	<p>A4A supports government policies as well as public-private partnerships to encourage the deployment of sustainable aviation fuel (SAF). In March 2021, A4A announced the commitment of its member carriers to work across the aviation industry and with government leaders in a positive partnership to achieve net-zero carbon emissions by 2050. As part of that commitment, A4A carriers pledged to work with the government and other stakeholders toward a rapid expansion of the production and deployment of commercially viable SAF to make 2 billion gallons of SAF available to U.S. aircraft operators in 2030.</p>	<p>UPS is a member of the A4A Board of Directors, which supported a global sectoral-based approach to aviation and climate change under the rubric of the International Civil Aviation Organization (ICAO). ICAO developed a timeline to promote a 1.5% annual average fuel efficiency improvement through 2020, followed by carbon-neutral growth from 2020 (subject to critical aviation infrastructure and technology advances achieved by both industry and government), leading to an aspirational goal to reduce the industry's net carbon emissions by 50% in 2050.</p>

### American Trucking Associations (ATA)

About	Climate Change Position	Areas of Influence & Alignment
<p>ATA is the largest and most comprehensive national trade association for the trucking industry, with state trucking association affiliates in all 50 states. ATA represents every sector of the industry, from LTL to truckload, agriculture and livestock to auto haulers, and from large motor carriers to small operations.</p>	<p>ATA seeks to promote policies that benefit the trucking industry while balancing the needs of its membership, which includes every sector of the industry, from carriers like UPS to small operations with only a few trucks. The association has worked with EPA to help craft emissions standards that have resulted in dramatic reductions in per-vehicle emissions from heavy-duty trucks over the last 50 years. New trucks today emit 99% fewer particulate emissions than in 1985 and 99% fewer nitrogen oxide emissions than in 1975. ATA continues to oppose policies that mandate the adoption of new vehicle types without regard to technology maturity, infrastructure readiness, or overall costs.</p>	<p>UPS is a member of ATA's board and serves on the ATA Executive Committee. We have established within ATA a policy committee focused solely on sustainable fuels and other environmental policy issues. UPS is encouraging ATA as well as the broader trucking industry to promote policies that incentivize fuels with the lowest well-to-wheel lifecycle emissions. ATA is seeking cost-effective solutions to transition the trucking industry to lower carbon options. ATA will work with federal agencies to formulate guidance that will enable the trucking industry to maximize newly passed incentives for clean vehicles, charging infrastructure, and alternative fuel refueling infrastructure.</p>

### III. Climate Lobbying Activities (Cont.)

#### U.S. Chamber of Commerce (Chamber)

About	Climate Change Position	Areas of Influence & Alignment
<p>The Chamber is the world's largest business organization. Chamber members range from the small businesses and chambers of commerce across the country that support their communities, to the leading industry associations and global corporations that innovate and solve for the world's challenges, to the emerging and fast-growing industries that are shaping the future.</p>	<p>The Chamber believes that an effective climate policy should support a market-based approach to accelerate GHG emissions reductions across the U.S. economy. Climate policy should encourage innovation and investment to ensure significant emissions reductions, while avoiding economic harm for businesses, consumers, and disadvantaged communities. This policy should include well designed market mechanisms that are transparent and not distorted by overlapping regulations. Climate policy should be informed by the best science and observations available. The U.S. should continue to be the world leader in climate change science and the major sponsor of the research used in multi-lateral scientific forums.</p>	<p>UPS is an active member of the Chamber's Task Force on Climate Actions and the Chamber's Transportation, Infrastructure, and Supply Chain Policy Committee. Over the course of several years, we have encouraged the organization to develop policies to combat climate change that the business community can support. For the past three years, UPS has been a member of the Chamber's delegation to the United Nations Conference of the Parties (COP) meetings on Climate Change. The Chamber has become more vocal in addressing climate and environmental issues. The Chamber supports U.S. participation in the Paris Agreement, has called for direct regulations on methane emissions from oil and gas operations, and supports legislation to promote carbon capture technologies. We engage with Chamber leadership and staff, regularly, offering our views with respect to their position on climate.</p>

#### National Association of Manufacturers (NAM)

About	Climate Change Position	Areas of Influence & Alignment
<p>NAM is the nation's primary advocacy organization for manufacturers. NAM represents 14,000 member companies from across the country, in every industrial sector.</p>	<p>NAM has acknowledged that human activities are contributing to climate change. NAM supports the objectives of the Paris Climate Agreement to significantly reduce the risks and impacts of global climate change. The organization supports policies that achieve meaningful, cost-effective GHG reductions while empowering U.S. manufacturers to thrive in the global marketplace and ensuring the affordable, reliable energy supplies needed to keep our economy strong.</p>	<p>UPS is a member of NAM's Energy &amp; Environment Policy Committee and NAM's Transportation &amp; Infrastructure Policy Committee. Over the past year, NAM has strongly supported ratification of the Kigali Amendment to reduce the production of hydrofluorocarbons; filed comments to help guide the Biden Administration's implementation of energy provisions in the Inflation Reduction Act; and created a Clean Energy and Climate Incentives Task Force to help promote the manufacturing sector's views on new energy incentives.</p>

### III. Climate Lobbying Activities (Cont.)

#### Low Carbon Fuels Coalition (LCFC)

About	Climate Change Position	Areas of Influence & Alignment
<p>The LCFC is a coalition of diverse companies and trade associations, who all share the common goal of decarbonizing our transportation fuel supply. The LCFC is dedicated to advocating for the support and expansion of robust, technology-neutral Clean Fuels Standard (CFS) policies at the state and federal level.</p>	<p>The LCFC's market-based and technology-neutral approach means that policies are designed so that all fuels are measured by actual performance—specifically by measuring each fuel's total carbon intensity, based on its entire lifecycle of production and use.</p>	<p>UPS is a Voting Member of the LCFC and participates in regular LCFC policy coordination calls related to state-level CFS programs. UPS supports efforts by LCFCs to ensure that CFS programs in existing states (CA, WA, OR) remain technology neutral and continue to account for the well-to-wheel lifecycle emissions of transportation fuels. We are supporting LCFC's efforts to expand CFS policies to additional states, beginning with a legislative effort in Illinois.</p>

#### Natural Gas Vehicles for America (NGVAmerica)<sup>1</sup>

About	Climate Change Position	Areas of Influence & Alignment
<p>NGVAmerica is a national organization dedicated to the development of a growing, profitable, and sustainable market for vehicles powered by natural gas or biomethane. NGVAmerica represents more than 200 companies, environmental groups, and government organizations interested in the promotion and use of natural gas and biomethane as transportation fuels.</p>	<p>NGVAmerica believes strong policy solutions can help drive significant growth in the natural gas vehicle industry and help achieve several national policy goals, including reducing air pollution and greenhouse gases, reducing dependence on foreign oil, creating American jobs, and strengthening the economy. NGVAmerica strongly supports and encourages the use of RNG as a transportation fuel. RNG is derived from natural sources of methane that would otherwise escape into the atmosphere as a potent greenhouse gas.</p>	<p>UPS is a member of the NGVAmerica Board of Directors. UPS strongly supports NGVAmerica's work to accelerate the use of low-carbon and carbon-negative renewable natural gas in our transportation fleets. We work with NGVAmerica to encourage policy solutions to deploy vehicles that meet strict emissions standards and reduce well-to-wheel lifecycle emissions, rather than advancing technology-specific mandates or waiting for future product commercialization and availability.</p>

<sup>1</sup>In April 2024, NGVAmerica updated its mission and branding. It is now known as The Transport Project

### III. Climate Lobbying Activities (Cont.)

#### Association for Uncrewed Vehicle Systems International (AUVSI)

About	Climate Change Position	Areas of Influence & Alignment
<p>AUVSI is the world's largest nonprofit organization dedicated to the advancement of uncrewed systems and robotics. AUVSI represents corporations and professionals from more than 60 countries involved in industry, government and academia. AUVSI members work in the defense, civil and commercial markets.</p>	<p>AUVSI supports the use of uncrewed vehicles to monitor the effects of climate change and advance climate science. Through AUVSI's advocacy for Advanced Air Mobility (AAM) solutions, the organization is pursuing legislative and regulatory changes that will enable more sustainable air mobility options.</p>	<p>UPS is a member of AUVSI and works with AUVSI to support the development of certification standards for eVTOL aircraft. UPS plans to purchase eVTOL aircraft to augment its air service for select small and mid-size markets. These electric aircraft will help the company reduce its overall emissions, as time-sensitive deliveries that would otherwise fly on small fixed-wing aircraft or large trucks are carried by eVTOL aircraft.</p>

## IV. Risks Presented by Misaligned Lobbying

We work to ensure that, to the greatest extent possible, UPS's direct lobbying and that of our trade associations, remains aligned with our emissions reduction and climate goals. Our analysis indicates that our direct and indirect lobbying largely supports these efforts.

In some cases, differing approaches to policy and technology challenges may be characterized by those who disagree with a particular policy or technology approach as misaligned with achieving emissions reduction and climate goals. But, in many cases, these different approaches do not actually represent a misalignment. In evaluating these cases, we examine them in the context of the complex public policy landscape. For example:

- We have strongly advocated for the inclusion of RNG as part of incentive programs and regulatory schemes that seek to reduce emissions from the transportation sector. Renewable Natural Gas (RNG), or biogas, is gas produced from methane emitted through the decomposition of animal manure, food waste, forest management waste, wastewater sludge, and garbage. RNG projects capture this methane and redirect it away from the environment, repurposing it as an energy source for vehicles. Because of the avoided emissions associated with capturing methane that would otherwise be released into the atmosphere, the use of RNG as a transportation fuel can reduce carbon emissions significantly more than other alternative fuels. For instance, the RNG produced from animal waste on dairy farms used by UPS has an average carbon intensity of -200 gCO<sub>2</sub>e/MJ. This means that for every megajoule of energy produced by the RNG, a quantity of greenhouse gases with the global warming potential equivalent to 200 grams of CO<sub>2</sub> is removed from the atmosphere. This fuel is our most effective tool to reduce greenhouse gas emissions from our ground fleet based on current technologies. Some groups do not believe that utilizing RNG is an effective strategy to combat emissions from the transportation sector and instead advocate for transitioning only to vehicles with zero tailpipe emissions. While these divergent views lead to different approaches to reducing GHG emissions, our support for RNG does not represent a misalignment with our climate goals.
- The American Trucking Associations has advocated for performance-based and technology-neutral emissions reductions standards rather than technology-specific mandates. ATA's position reflects concerns that technology mandates are a less effective and more costly approach to reducing greenhouse gas emissions from the transportation sector than performance-based emissions standards. ATA worked on and supported two separate Environmental Protection Agency/National Highway Traffic Safety Administration regulations establishing first-ever standards for truck engine and vehicle GHG emissions and fuel consumption standards (known as Phase 1 and Phase 2 respectively) to promote a new generation of cleaner, more fuel-efficient trucks. We believe ATA's advocacy for solutions that reduce greenhouse gas emissions while taking into consideration vehicle capability, technology readiness, and manufacturing costs aligns with our climate goals.
- The Low Carbon Fuels Coalition advocates for Clean Fuels Standard (CFS) policies that require fuel suppliers to reduce the carbon intensity of transportation fuels. Our experience with existing CFS programs is that they are an effective and efficient way to rapidly increase the use of lower carbon fuels in the transportation sector. Last year, the California Air Resources Board reported that, thanks to the state's CFS program, clean fuels replaced over 50% of the diesel used in the state in the first quarter of 2023. Some groups oppose CFS policies because they believe market-based policies will not reduce emissions within timeframes or at the scale required to mitigate climate change or deliver emissions reductions benefits to affected communities. We believe that CFS programs are an important policy tool to combat climate change and promote greater use of low-carbon fuels.

## V. Conclusion

UPS participates in the public policy process in order to advance the interests of the Company and its shareowners. All lobbying activities are conducted in compliance with federal and state laws and regulations, and in a manner that is consistent with the Company's values and strategies.

We believe our company's lobbying activities align with our emissions reduction and climate goals. UPS proactively advocates for policies that incentivize the use of low carbon fuels. We regularly engage

policymakers to discuss the transition to greater use of currently available alternative fuels and how to increase the availability of zero emission vehicles. As new innovations are developed that allow the deployment of zero emission commercial transportation at scale, we share our perspective on how to best harness these technologies to achieve our broader goal of zero emissions in the future. We engage with our third-party organizations to ensure their lobbying activities support our efforts to the greatest extent possible.





**Moving our world forward  
by delivering what matters.**

[AboutUPS.com](https://www.aboutups.com)